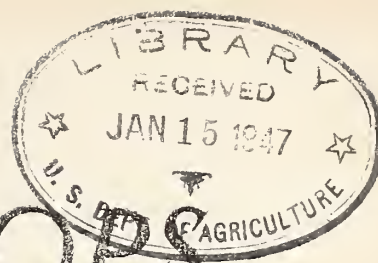


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FOREIGN CROPS and MARKETS

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W F RYAN
SUGAR DIVISION
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L A T E C A B L E S

Condition Canadian grain crops on June 30 expressed in percentages of long-time average yield per acre reported as follows, with 1940 comparisons in parentheses: Winter wheat 86 (99), spring wheat 80 (96), all wheat 80 (96), oats 87 (92), barley 89 (92), winter rye 83 (86), spring rye 86 (92), all rye 84 (88). The decline in these figures from those of May 31 was attributed to the dry, hot weather of June.

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The British Wool Control now releases a further 5,000,000 pounds of East Indian carpet wools for direct sale and shipment from India to the United States; sale and shipment to be made as wools become available. Wool Control advises that of 14,000,000 pounds already released from India for the United States trade to date, 8,000,000 pounds have been shipped and 6,000,000 pounds await shipment (a portion of which has been sold).

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British Wool Control reports a substantial quantity of Scotch black-faced carpet wool has recently been released for the export trade to United States and this almost exhausts last season's (1940) clip, although there may still be a small further quantity. Shearing in Scotland is late and this season's wool will not be ready much before September. Other carpet wools, however, including English black-faced should be available earlier.

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June declared exports of Brazil nuts to the United States from Belem and Manaus, Brazil, were as follows, with 1940 comparisons in parentheses: 905 short tons shelled (650), and 920 short tons unshelled (3,000). Demand from the United States remained active; other countries inactive. Spot prices of large washed nuts in Belem, 95 milreis per hectoliter (about 5.14 United States cents per pound). Spot prices of medium-sized nuts at Para, 85 milreis per hectoliter (about 4.60 United States cents per pound).

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CORRECTION - Southern Brazil second official cotton production estimate for 1940-41 mentioned on the late cable page of the issue of May 26 should be 1,367,000 bales instead of 1,996,000 bales which is the second estimate for all of Brazil.

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G R A I N S

WORLD WHEAT PROSPECTS INDICATE
LITTLE CHANGE FROM LAST YEAR . . .

Prospects for the 1941 wheat crop in the important producing regions of the world appear quite varied; the reductions indicated in several large countries will just about offset increases in others, and the total outturn is expected to be about the same as that of 1940, when world production approximated 6,100 million bushels. Because of the abnormal conditions under which seeding, cultivation, and harvesting operations have been undertaken in many countries this season, final returns are at present largely a matter of conjecture. Most of the countries in the European war zone have suspended their crop-reporting activities, and only a few official estimates have been released.

North America

Some reduction in the North American crop from the large outturn of 1940 is in prospect. The July estimate of the United States was placed at 924 million bushels as compared with last year's harvest of 817 million bushels, but a marked decrease is expected in Canada from the near-record crop of 551 million bushels reported in 1940. Not only is a 25-percent decrease in acreage indicated for that country but the condition of the crop on June 30 was placed considerably below the comparable figure for 1940.

Europe

In Europe, on the other hand, some increase over last year's small harvest appears likely, despite the unfavorable weather of last winter and spring, reduced fertilizer supplies, and the general shortage of agricultural labor. The damage from winter-kill was not so great this season as last, because of the protection afforded by snow cover, and efforts to increase seedings appear to have been successful in several countries. Weather conditions during recent weeks are reported to have been more favorable, but harvesting will be considerably delayed as a result of the cool and very late spring.

Increased acreages and favorable crop prospects point to larger harvests this year than last for the British Isles. In the Scandinavian countries a long, cold winter followed by a spring drought caused considerable delay in crop growth and some damage to wheat, particularly in Sweden. In Denmark the weather was more favorable for wheat this season than last, and a crop somewhat larger than the small outturn of 1940 is expected. The German grain crops are reported to be good, with less damage to winter wheat from cold weather than in the previous year. A total wheat outturn above that of last year appears to be in prospect if favorable weather through harvesting is experienced.

In France the crop is considered good in the south, but frost damage was reported to be serious in some northern districts. A substantial increase in wheat sowings up to May 1 was reported, and the crop is expected to be considerably better than that of 1940 but below average. A preliminary estimate of production in Italy is placed at 268 million bushels or about the same as the 1940 harvest. Many reports, however, indicate that the crop last year was overestimated. Unofficial information suggests an outturn in Spain of about 110 million bushels. A crop of this size would be somewhat above the very small outturn now reported for last year but still much below the normal production of the country. Recent conditions in Portugal have been excellent; a near-record crop is unofficially forecast. In the Balkans, prospects point to a below-average crop, although conditions are said to be good in Bulgaria. Reports from Hungary are particularly pessimistic and another small crop is forecast. The Rumanian outturn is placed somewhat above that of 1940 and is expected to cover domestic requirements with a small balance. Harvesting is under way in southern sections, but in the north the crop was delayed by heavy rains and cool weather.

North Africa

In the North African countries better harvests are expected this year than last. Available information indicates record grain crops in Morocco while increases of about 16 and 33 percent, respectively, are unofficially reported for wheat in Algeria and Tunisia.

Asia

The second official estimate of the 1941 crop in India was about 30 million bushels under that of 1940, but a small surplus for export is reported by the trade. Presumably some stocks from last year's crop were carried over into this season.

Wheat production in the Orient this year now appears likely to exceed that of 1940. Because of acreage increases and better-than-expected yields in central and west China, the estimate of the Chinese crop reported by the American Agricultural attaché at Shanghai was revised from 700 million to 720 million bushels. This increase of 20 million bushels, which also represents the gain over the 1940 crop, will more than offset the indicated reduction in Japanese production of about 8 million bushels and a possible decline in Manchuria, for which no estimate has been received.

Southern Hemisphere

In the Southern Hemisphere the seeding of wheat has not been completed, but late reports indicate that the acreage reductions in prospect earlier this season will probably not be large. June conditions in Argentina were reported by the trade to have been favorable for seeding

and germination; early sown plants showed generally good growth, except in La Pampa and southwestern Buenos Aires where some insect damage occurred. Seeding made good progress in Australia following the rains of early June but is still considered backward as a result of the dry weather in April and May, according to trade reports, and some reduction from the small acreage of 1940 appears probable. Subsoil moisture is still reported to be deficient, and for a good start the new crop will soon require more rain.

ITALY EXTENDS OBLIGATORY POOLING
TO BARLEY AND RYE

Under date of May 19, 1941, the Italian Government decreed that the control of grain distribution formerly applying to wheat, corn, rice, and oats should be extended to include barley and rye. Sales of these products have therefore been forbidden except as they are made under Government regulations. The control extends to all supplies, whether produced in Italy or imported, in order, it is said, that military and civil requirements may be assured. Beginning with the 1941 harvests, producers must declare to local authorities, within 10 days after harvesting, the total amounts of the various crops. At designated dates all the crops must be delivered to collecting centers (ammassi) except for the amounts, determined by the authorities, allowed each producer for the needs of his own establishment. Immediate payment is assured through a credit system at prices fixed by the Government.

Recent increases in grain prices and premiums paid for early delivery are variously interpreted by the press. To some observers, they are an indication of short grain supplies. This view is borne out, it is said, by the recent authorization granted in May by the Ministry of Agriculture for adding as much as 25 percent of boiled potatoes to bread flour.

CUBA CONTINUES HEAVY IMPORTS
OF AMERICAN RICE

Unofficial statistics received from Habana indicate that during May Cuba imported approximately 37 million pounds of United States rice, 9,700,000 pounds from the Orient, and 500,000 from the Dominion Republic. Of the total imports for the first 5 months of 1941, the United States rice represented about 92 percent of the total Cuban arrivals as compared with 57 percent during the same 5 months in 1940. Imports from the Orient, however, declined to 7 percent for the first 5 months of this year as compared with 42 percent in the same period last year. Smaller imports of oriental rice are attributed to several factors, the most important of which are higher freight rates, lack of shipping space, and heavy purchases by Japan from the surplus oriental countries.

CUBA: Rice imports, annual 1939-1940,
January-May, 1940, 1941

Country of origin	1939	1940 a/	January-May	
			1940	1941
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United States	222,660	255,449	116,558	184,588
Orient	220,800	172,073	85,134	14,668
Egypt	601	650	728	-
Ecuador	-	-	-	1,000
Dominican Republic ..	-	-	-	740
Other	76	1,028	-	-
Total	444,137	429,200	202,420	200,996

American consulate, Habana.

a/ Preliminary.

BRAZILIAN RICE CROP

REDUCED BY FLOODS . . .

Unfavorable weather conditions which had damaged the rice crop to some extent in April became disastrous in May when heavy rains flooded almost the entire central and largest area in the State of Rio Grande do Sul, Brazil's most important rice-producing region, according to a report from the American consulate at Porto Alegre. There was much less damage in the southern rice-growing districts but the quality of the product was greatly impaired by excess humidity. Warehouses in commercial districts of Porto Alegre, Pelotas, and Rio Grande remained under water for 20 days and the very large stocks of harvested rice which had been stored were completely lost.

The new crop, which in March was estimated at 12 million bushels, was said to be reduced nearly half in the latter part of May when an official preliminary survey was made by Government authorities. It was also stated that little or no rice of the "Extra" or "First A" grades would be available and that probably none would be fit for export. It was rumored that the Federal Government would probably prohibit the exportation of rice from Rio Grande do Sul in order to avoid possible shortage in domestic markets but so far no official statement has been made. Practically all means of communication and transportation were paralyzed during the first 3 weeks of May between Porto Alegre and other parts and no rice was received from the interior or shipped to other consuming markets during that period. The entire rice trade for the month consisted of slightly more than 15,000 bags shipped to other Brazilian markets during the last few days of May and no exports were made to foreign countries. Prices of all varieties of rice advanced rapidly as soon as it was known that the crop would be exceedingly short. Prices rose more than \$1.00 per 100

pounds compared with the end of April. At the end of May, Blue Rose First A Grade was quoted at approximately \$3.24 per 100 pounds. (For further details, see Foreign Crops and Markets, June 9 and 16, 1941.)

SHANGHAI RICE SITUATION
SOMEWHAT IMPROVED . . .

The problem of supplying rice for the population of Shanghai has been difficult for many months. The city of Shanghai in normal times obtains its supply of rice from nearby producing districts and from central China, supplemented by imports from French Indochina and Siam, the volume of imports depending upon the supply in central China and comparative prices. Japanese restrictions on imports into the foreign settlements of Shanghai have created a serious food problem. Due to the difficulties of importing Chinese rice into Shanghai and the increased costs of transporting rice from foreign countries, prices of rice in Shanghai have advanced in local currency much beyond the highest prices ever recorded. The price of rice in Shanghai increased from 90 Chinese dollars per picul (\$2.79 per 100 pounds) at the end of February to 150 Chinese dollars per picul (\$4.50 per 100 pounds) on May 1.

Stocks of rice in the hands of hoarders were estimated at 160,000 tons, namely 5 to 6 months' supply. The Shanghai Municipal Council and the French Municipal Council took action toward the end of April to meet this serious situation. Arrangements were made to import rice from Hong Kong and French Indochina and sell it to consumers at prices ranging from 100 Chinese dollars (\$3.00 per 100 pounds) to 110 Chinese dollars (\$3.30 per 100 pounds) per picul. Early in May the price of rice began falling and by the time the Municipal Councils' rice was placed on the market, quotations had fallen below 110 Chinese dollars per picul. For a short time, at least, the action of the municipal authorities was effective in breaking the Shanghai hoarders' monopoly. However, priced at 110 Chinese dollars per picul, rice continues to be too expensive for Chinese laborers whose wages have fallen far short of keeping pace with the rise in cost of living.

Recent cable advices indicate rice prices have again been advancing but have not reached the high level of May 1. It is stated that Shanghai rice supplies have now been moving to neighboring cities on account of the shortage caused from last season's small harvest and removal of foodstuffs to Japan.

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V E G E T A B L E O I L S A N D O I L S E E D S

NETHERLANDS INDIES EXPORTS OF VEGETABLE OILS DECLINE 1/ . . .

The importance of the Netherlands Indies in the international vegetable-oil situation lies chiefly in the fact that this group of Islands is the world's largest palm-oil exporter and is the second largest exporter of coconut products. The loss of the European markets as a result of war conditions considerably reduced exports in 1940 and necessitated strong Government control of the whole trade including restrictions upon exports, allocation of foreign exchange to regulate imports, and the exemption of certain products from the payment of export duties. The shortage of ocean transportation was a serious problem and continues to handicap the export movement.

The United States obtains a very large percentage of its palm-oil imports from the Netherlands Indies. In recent years about 80 percent of our palm-oil imports have originated in these Islands. 2/ The Netherlands Indies supplied this country with substantial quantities of copra until the excise tax of 3 cents per pound was imposed in 1934. Since that time the Philippine Islands have furnished practically all of our coconut products.

NETHERLANDS INDIES: Palm-oil production and exports to United States and total, 1935-1940

Year	Production	Exports	
		United States	Total
	Short tons	Short tons	Short tons
1935	162,737	107,915	157,839
1936	193,163	131,874	189,999
1937	219,459	157,298	217,037
1938	249,856	126,579	243,280
1939 <u>a/</u>	268,611	114,590	253,159
1940 <u>a/</u>	263,450	116,406	193,384

American consulate, Medan.

a/ Preliminary.

The Copra trade of the Netherlands Indies, which suffered a serious setback following the invasion by Germany of such important markets

1/ Based upon a report from American Consul Jesse F. Van Wickel, Batavia, Java.

2/ For a discussion of the palm-oil situation, see Foreign Crops and Markets, May 5, 1941.

as Denmark, Norway, and the Netherlands in the early part of 1940, enjoyed a fair degree of stability in the last quarter of the year as a result of the institution of the so-called Copra Fund by the Government at the beginning of September. The coconut-oil market, on the other hand, is not directly influenced by world developments but rather by domestic consumption. Since copra prices had risen appreciably in the last 4 months of the year, local coconut-oil millers found it somewhat difficult to sell their product at a profit. Export shipments in 1941 are expected to decrease as a result of shortage of shipping space, not only to Asiatic markets, but also to the Atlantic Coast of the United States.

Copra and coconut-oil situation

Coconuts are grown in the Netherlands Indies both for domestic consumption and for export. Coconut cultivation owes its importance, not only to the wide uses to which practically all parts of the trees can be put by their growers, but chiefly to the cash value of the nuts. This is especially true in northern Celebes, Moluccas, the western division of Borneo, and the west and east coasts of Sumatra where the copra trade is the best index of prosperity. The natives in these districts depend for cash income almost entirely upon the sale of their coconut products.

Natives produce about 95 percent of the coconut crop in the Netherlands Indies. The trees are grown almost everywhere but chiefly on the coastal plains. No exact data have ever been compiled regarding the native cultivation and consequently production can only be arrived at by rough estimates.

Estate cultivation of coconuts in the Netherlands Indies is not important, the average size plantations being less than 200 acres. About 80 percent of the estate area in the Outer Provinces is exclusively planted with coconuts but in Java the majority of the estates are interplanted with other crops, chiefly kapok.

NETHERLANDS INDIES: Copra production, native and estate,
1935-1939

Year	Native		Estate		Total
	Java and Madoera	Outer Provinces	Java and Madoera	Outer Provinces	
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
1935	175	559	5	29	768
1936	170	600	6	29	805
1937	238	560	5	31	834
1938	254	645	6	33	938
1939	211	670	6	38	925

American consulate, Batavia.

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Production estimates for 1940 are not available. It is believed by competent trade sources that production in Java and Madoera was about the same as in 1939 but in the Outer Provinces production showed a slight decline. Production in 1941 is expected to show a decline for the entire Netherlands Indies on account of the dry weather during the last half of 1940 which it is believed will cause some shortage in the harvest this year.

The volume of production in the Netherlands Indies is not only affected by the weather but the export demand and price has a significant influence upon the volume of coconuts gathered, especially in the Outer Provinces. In Java the copra producers sell the bulk of their output to the local oil millers and consequently are not directly influenced by world markets. On the other hand, the producers in the Outer Provinces are dependent almost entirely on the exports of copra so that the loss of the continental European markets in 1940 threatened to dislocate the economic situation in those districts.

In view of the shrinkage of the export markets it was seriously discussed during 1940 whether to introduce a system of copra restriction in the Netherlands Indies. During the discussion of the Copra Fund bill in August 1940 it was decided not to introduce production restrictions at this time. It was believed almost impossible to work out a system whereby production could be calculated and justice could be done between production for export and production for local consumption. Furthermore, production restrictions were not considered advisable in view of the anticipated enormous demand from fat- and oil-hungry countries as soon as the war is over.

Coconut-oil production

Coconut oil is produced in the Netherlands Indies by mechanically operated mills and by the natives with primitive methods. More than 80 percent of the so-called "factory oil" milled in the country is milled in Java. The amount of so-called "village oil" produced by the natives also is considerable. It is stated that because of the freshness, village oil in some cases is of better quality than factory oil. In 1939, 69 commercial mills were reported to be in operation and produced 200,000 short tons of coconut oil. About 44 of the mills were located in Java and Madoera and produced 170,000 tons of oil. Coconut-oil production in the Netherlands Indies in 1940 was reported about the same as in 1939.

Factors affecting domestic consumption

The general welfare of the natives who comprise over 97 percent of the total population is the determining factor in the consumption of copra and coconut oil. When money is scarce or when prices of factory

oil advance more than does their income, the natives usually produce their own oil and when conditions get even worse they roast or boil their food instead of frying it. In 1940 the general level of prosperity remained satisfactory despite the European war and the serious drought. Other factors which have increased consumption in recent years have been the increased population of cities and the expansion of the margarine and soap industries. Domestic consumption accounts for 85 to 90 percent of the commercially produced coconut oil in the Netherlands Indies. It is of interest to note the contrast to the situation in the Philippines, the most important producer of coconut products in the world, where only 20 percent of the coconut-oil output goes into domestic consumption.

Import and export trade

A fairly large amount of coconut oil is imported annually from Singapore and British North Borneo into the Outer Provinces. In spite of the import duty that has to be paid, Singapore and British North Borneo oils are competitive with Java oil on the adjacent markets in the other islands in the Netherlands Indies. This is attributed in part to the lower freight rates on oil from the foreign markets than from Java. In view of the various wartime difficulties and restrictions total imports of coconut oil into the Netherlands Indies declined from 4,325 short tons in 1939 to 4,050 tons in 1940. This compares with average imports during the past 5 years at approximately 4,600 tons.

About 95 percent of the Netherlands Indies exports of coconut products consists of copra. In 1940 copra exports declined to 293,510 short tons valued at 11,206,641 guilders (\$5,948,485 United States). This represented the smallest volume of copra exports since 1920 and the lowest value since 1905.

NETHERLANDS INDIES: Exports of copra by destinations, 1939 and 1940

Destination	1939	1940	Destination	1939	1940
	Short tons	Short tons		Short tons	Short tons
Netherlands	88,228	52,472	Norway	40,675	8,026
Netherlands for order	101,453	6,348	Singapore	126,798	100,058
Germany	73,937	2,919	United States ..	13,307	14,033
Germany for order ...	586	6,527	Japan	1,552	21,002
Italy	1,508	17,403	China	8,267	13,030
Italy for order	5,605	3,764	Others	49,782	20,652
Denmark	57,845	27,276			
			Total	583,073	293,510

American consulate, Batavia.

In the past about 70 percent of the total copra exports from the Netherlands Indies went to European countries, especially the Netherlands, Germany, and Denmark. A complete cessation of shipments to those areas since May 1940 was a serious blow to the copra producers. Shipments to Japan were abnormally heavy in 1940 but it is believed that a large proportion of this volume was intended for other markets.

Shipments of coconut oil, on the other hand, showed a substantial increase in 1940, amounting to 15,586 short tons as compared with 10,147 tons in 1939. Prior to May 1940 large shipments were made to Italy for transshipment, it is believed to Germany, but exports have since been very small to European markets.

Increased quantities of Netherlands Indies coconut oil were shipped in 1940 to the United States and Canada, which it is reported may have replaced inedible olive oil formerly obtained from the Mediterranean countries. It is believed, however, that the bulk of the shipments to the United States were destined for Canada because of the preferential treatment accorded Philippine oil entering the United States.

NETHERLANDS INDIES: Exports of coconut oil by destinations,
1939 and 1940

Destination	1939	1940
	<u>Short tons</u>	<u>Short tons</u>
Netherlands	2,724	-
Netherlands for order	2,519	-
Norway	234	766
Italy	526	2,773
Canada	1,416	6,332
United States	282	2,426
Uruguay	691	775
Union of South Africa	198	861
Others	1,517	1,653
Total	10,147	15,586

American consulate, Batavia.

Wartime restrictions

Exchange regulations were applied to the import and export trade in coconut products as well as to all other commodities, effective February 15, 1941, in Java and Madoera; February 22, 1941, in Sumatra,

Borneo, Bali, and Lombok; and March 1, 1941, in the rest of the Netherlands Indies. Exports of copra, coconut oil, and copra cake, as well as other products to specified countries were prohibited without a license issued by or in the name of the Committee for Legal Regulations in Wartime. As an aid to the local coconut producers exemption from the 3-percent defense export duty was granted to exports of copra beginning September 21, 1940, and coconut oil, copra cake, copra flake, and copra meal beginning September 17, 1940.

Ocean transportation facilities

Considering the fluctuations at different times of the year, the securing of shipping space was on the whole not too difficult. However, as a result of the withdrawal of some British vessels from the Far East-United States Atlantic Coast runs at the beginning of 1941, actual shortage now exists for shipments along that coast. Beginning April 1, 1941, the Government allocated space to American Atlantic Coast ports on a preferential basis with rubber, latex, and tin obtaining 60 percent of the total. This regulation, however, will not materially affect shipments of copra to the United States as most of such shipments are made to the Pacific Coast ports.

With regard to coconut oil, foreign export business is conducted almost exclusively by millers who have bulk shipping facilities at their disposal, namely tank cars from the mills to the export harbors. Shipments from Netherlands Indies harbors to foreign ports are made in tank ships of which there is at present a considerable shortage on the Atlantic Coast of the North American route.

Prices fluctuate

Wholesale copra prices which had been weak since 1938 continued to drop in the first 8 months of 1940, the average quotation for the month of August being 3.92 guilders per 100 kilograms (94 cents United States per 100 pounds); perhaps the lowest in the history of the trade. Since then, as a result of the institution of the Copra Fund, prices have been on a higher level. The average price for February 1941 was 6 guilders per 100 kilograms (\$1.44 United States per 100 pounds), as compared with 5.92 guilders (\$1.425 United States) for February 1940.

Coconut-oil prices in the Netherlands Indies are governed by several factors, including fluctuations in the purchasing power of the natives, competition with other oils, transportation facilities, and the financial position of the millers. When the prosperity of the natives increases the millers have an opportunity of obtaining higher prices for their oil. The wholesale price in Batavia during 1940 ranged from 1.30 guilders per tin of 25 catties (2.0 United States cents per pound) in August to 1.80 guilders (2.8 cents) in December.

Government Copra Fund
improves prices

The Government in September 1940, in order to offset the economic dislocations caused by the European war, primarily in the Outer Provinces, where the natives depend almost entirely upon the coconut industry for their prosperity, introduced the Copra Fund as a relief measure. The measure involves a total sum of 10 million guilders (\$4,308,000 United States) spread over a period of two and a half years, this being equal to the longest period copra can be stored without serious deterioration. With this money the Government will purchase the estimated surplus of 440,000 short tons of copra annually which is considered the surplus in the Outer Provinces as a result of the loss of the important continental European markets.

The average buying price paid by the Copra Fund is 1.70 guilders per 100 kilograms (41 cents United States per 100 pounds), excluding bag. This price was established after investigation of the minimum needs of the growers exclusive of foodstuffs which can be obtained from their own cultivation. Under no circumstances are the natives forced to sell to the Government. If they can secure better prices elsewhere so much the better, but if this cannot be done the natives are at least assured of an outlet for their copra.

By prohibiting the importation of coconut products from the Outer Provinces into Java and Madoera the supply of supplementary requirements of the Java oil millers is centered in the hands of the Copra Fund. The Government quotes to Java millers copra at 6 guilders per 100 kilograms (\$1.44 United States per 100 pounds) and hopes to supply about 30,000 tons annually.

Outlook

The effects of the serious drought in most sections of the Netherlands Indies in the latter part of 1940 cannot yet be determined accurately since the maturing period of coconuts is about 12 months. Trade sources believe that production in some districts will be materially lower but that because of the extensiveness of the cultivation, near-normal supplies will continue to be available throughout 1941.

The immediate outlook for coconut products, is satisfactory to the extent of stable prices but until the stocks accumulated by the Copra Fund have been finally liquidated and the shipping problems with respect to coconut oil to Canada have been solved no one can say definitely what the future holds in store for the trade.

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C O T T O N - O T H E R F I B E R S

**SPAIN'S COTTON SHORTAGE
PARTLY ALLEVIATED IN MAY. . .**

Arrivals in Spain of about 48,000 bales of Argentine cotton in May and 2,500 bales of Brazilian near the end of April have partly relieved the serious shortage existing in recent months, according to information received in the Office of Foreign Agricultural Relations. About 18,000 bales of Brazilian cotton were expected to arrive early in June to complete the delivery of an estimated 97,000 bales purchased under special credit terms in November 1940. The remainder (70,000 to 75,000 bales) of the 120,000 bales purchased from Argentina in February under similar terms will arrive at intervals during the next few months.

Demand for cotton manufactures in Spain still considerably exceeds the supply. Cotton manufactures in Spain still considerably exceeds the supply. Cotton mills could use about 400,000 bales of raw cotton annually if supplies were available. Imports in 1940 were estimated at 191,000 bales or 15 percent less than the 225,000 imported in 1939. Arrivals in 1941 up to June 1, amounted to about 137,000 bales and present commitments will raise the total to around 235,000 bales for the year. The 1941 supply was supplemented by the 1940 domestic crop of about 7,700 bales. A report is current in Spain that British authorities have allotted navicerts to Spain for the importation of 300,000 bales of cotton annually.

Total stocks at the end of April were believed to be between 25,000 and 30,000 bales instead of 40,000 as previously reported. Stocks on hand (mostly Brazilian and Argentine) at the end of May were estimated at 70,000 bales which is sufficient for 6 or 7 months at the present low rate of mill consumption. The cotton-mill industry in Catalonia Province has been operating at less than 25 percent of capacity in recent months, while some mills operated less than 30 days during the 5 months ended May 31, 1941. The industry in this Province usually accounts for about 80 percent of the total output of cotton textiles in Spain.

The Spanish Government is endeavoring to increase domestic production of cotton both by payment of a bounty (equivalent to 2.07 cents per pound) and a legal requirement that 10 percent of all land suitable for cotton growing be planted to cotton. Excessive rain during most of the planting season, however, has delayed this year's crop so that even with an increased acreage the 1941 crop may not exceed last year's production of 7,700 bales. Up to the middle of May only about 8,650 acres, or 15 percent of the planned acreage, had been planted compared with about 60 percent under normal weather conditions.

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T O B A C C O

SALES OF SUMATRA LEAF AT NEW YORK
A SUCCESS BUT OUTLOOK UNFAVORABLE
TO PRODUCERS 1/

The sale of the portion of the 1940 crop of Sumatra cigar-wrapper tobacco held at the Free Port of New York (Free Trade Zone No. 1) was concluded on July 2. Prices for the leaf were considerably higher than those obtained for similar tobacco from the 1939 crop, but large unsold supplies that are normally marketed in Europe are expected to cause the estate producing companies to continue a policy of restricted production. This is the first year that Sumatra leaf has been sold in the Free Port, and the satisfactory outcome of the sales is expected to result in the American grades of future crops being sold there.

A total of 22,108 bales, or approximately 3.9 million pounds of the better-grade leaf from the 1940 Sumatra crop was sold at the six inscriptions held in the Free Port of New York at an average price of \$2.09 per pound. Prices obtained for individual lots, which averaged 219 bales or about 38,600 pounds per lot, ranged from \$0.56 to \$3.89 per pound and were 20 percent or more above prices for similar leaf from the 1939 crop. Exact price comparisons are not possible due to variations in quality of the leaf from the two crops and the fact that the comparable portion of the 1939 crop was sold in Sumatra and prices did not include shipping and other costs required for delivery at New York. Furthermore, a large part of the American purchases from the 1939 crop were made at private sales, for which prices were not announced.

Netherlands inscription
practices followed

The leaf included in this year's sales was supplied by five Sumatra estate companies, and over 50 percent of it came from the principal producing company, N. V. Deli Maatschappij. Four large American cigar-manufacturing companies, six leaf dealer organizations, and the Swedish Tobacco Monopoly participated in the purchases. The leaf upon shipment by the Sumatra estate companies was sold to the Netherlands Indies Produce Corporation, an American incorporated company, which offered it for sale through brokers in New York who in previous years have operated in the Netherlands.

Early in 1941 the brokers at considerable expense erected an air-conditioned and humidity-controlled building in the Free Port of New York for the use of buyers in inspecting the leaf and in which the sales were held. The procedure of sampling, inspection, and sales by

1/ Prepared by J. Barnard Gibbs, Tobacco Specialist.

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means of sealed bids were practically identical with practices that have been followed in Amsterdam and Rotterdam, the usual markets for the entire Sumatra wrapper-leaf production. American buyers, estate companies, and brokers have been well satisfied with the success of the season's sales and it is anticipated that the portion of the Sumatra crop suitable for the American market will continue to be sold in the Free Port even though conditions in Europe might later permit sales in the Netherlands.

American manufacturers buy
most of better grades

Of the 3.9 million pounds sold in this season's inscriptions, approximately 2.0 million pounds were purchased by four large domestic cigar-manufacturing companies. About 1.8 million pounds were purchased by dealers, who in addition have bought approximately 100,000 pounds of broken leaves in private sales. Approximately 150,000 pounds were bought at the inscriptions by the Swedish Tobacco Monopoly.

Most of the leaf bought by domestic manufacturers was of the higher grades and prices for their purchases averaged \$2.51 per pound. Dealer organizations purchased substantial quantities of the better grades for resale to smaller domestic-cigar manufacturers, and most of the leaf that was considered unusable in the manufacture of American cigars. Prices for their purchases at the inscriptions averaged \$1.59 per pound, and those for the three lots purchased by the Swedish Tobacco Monopoly averaged \$2.77 per pound.

Of the 1.9 million pounds, total purchases by dealer organizations, it is estimated that approximately 1.3 million pounds will be exported principally to Canada and other Western Hemisphere countries, and 600,000 pounds retained to supply medium and small domestic cigar-manufacturers. The latter quantity when added to purchases by the larger domestic manufacturers indicates a total supply for the United States of about 2.6 million pounds. This is well above consumption requirements in the United States as indicated by the average import of Sumatra tobacco of approximately 2.0 million pounds during the 5 years 1936-1940. It should be pointed out, however, that unsettled conditions abroad, the reduction in 1941 acreage in Sumatra, and the possibility of shipping difficulties that might prevent the obtaining of adequate supplies of Sumatra leaf in future years caused buyers for the American market to purchase all leaf in the recent sales that would be suitable for use in the United States. In so doing they dipped into supplies of leaf that would normally go to other countries. If leaf from future Sumatra crops suitable for the American market can be brought to the United States in sufficient volume to meet normal requirements, it can be expected that part of the excess obtained in this year's purchases will be moved to other markets.

It is anticipated that practically all of the leaf sold in the recent sales will be held in storage in the Free Trade Zone, and the portion used in the United States imported as needed in current manufacture. Supplies remaining in the Free Trade Zone will be convenient for shipment to any available market.

SUMATRA: Acreage, production, and sales of wrapper-leaf tobacco, and United States imports, 1934-1941

Year	Acreage	Production a/	Sales b/	Imports into United States b/
	<u>Acres</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>
1934	28,251	28,358	24,570	1,811
1935	28,461	28,490	24,609	2,316
1936	30,677	30,229	23,414	1,472
1937	32,155	31,202	24,597	1,529
1938	32,686	30,392	22,750	2,006
Average	30,446	29,734	23,948	1,927
1939	28,500	28,000	c/ 9,500	2,072
1940	29,330	26,000	4,500	-
1941	22,000	20,300	-	-

1934-1938 data and United States imports in 1939 from official sources; all other estimates from trade sources.

a/ Fermented weight. b/ Data apply to year following harvest; export weight. c/ Sales to American buyers and at the Netherlands inscriptions; part of crop taken by Germany (see Foreign Crops and Markets, September 16, 1940 and February 17, 1941).

Large unsold supplies

In addition to the 4.0 million pounds of Sumatra leaf from the 1940 crop that were sold in the New York Free Port, it is now estimated that an additional supply of approximately 5.0 million pounds, made up of the better European grades, will be held in storage in the United States. Most of this leaf has already arrived and part of it entered in bonded warehouses at the Port of Boston. Remaining supplies are being held at New York, and the entire 5 million pounds is awaiting possible export to Europe. The portion held in bonded warehouses cannot, in accordance with United States customs regulations, be re-shipped to the New York Free Port and if not exported within 3 years is subject to confiscation by the United States customs authorities.

The shipment of 9 million pounds from the 1940 crop to the United States will leave about 14.2 million pounds of the total production,

estimated at 23.2 million pounds export weight for sale or storage at other points. It is estimated that only about 500,000 pounds of the leaf can be sold in Asiatic and other markets that will not be supplied from sales in New York. Special storage facilities are being provided in Sumatra to hold most of the remainder which represents nearly two-thirds of the crop. The storage warehouses have been arranged to provide ample protection against insect damage, but no provision can be made under existing circumstances to prevent possible deterioration due to unfavorable climatic conditions.

Surpluses necessitate
crop curtailment

The large, unexported surplus from the 1940 crop and small quantities still being held from the 1939 crop are reported to have filled most of the available storage space in Sumatra. Consequently, the producing companies are faced with the problem of providing additional storage, at considerable expense, for leaf that they may never be able to sell at satisfactory prices, or curtailing production.

For the 1941 crop, which has recently been harvested, the acreage was reduced by 25 percent from the 29,320 acres set last year. Insofar as possible, the reduction was made on land which normally does not produce leaf suitable for the American market. Consequently, the harvest of American grades is estimated to be approximately equal to that from the 1940 crop. For future years, officials of the estate companies now in the United States anticipate that so long as the American market is open to them, and they can receive favorable prices for the leaf sold here, the acreage will be maintained at about the 1941 level even though there is no satisfactory outlet for the portion of the crop normally sold in Europe.

The reduction in acreage and the problem of disposal of leaf that cannot be marketed under existing conditions have created a difficult situation for the producing companies with respect to utilization of labor and land. All of the tobacco is raised on land held under long-term lease, and payment for its use continues at a fixed rate regardless of output. Labor charges are also to a large extent a fixed overhead that cannot be adjusted. Consequently, changes in the handling of tobacco and a shift to substitute crops are necessary. With respect to tobacco, part of the reduction in acreage will be made by growing the crop on certain lands only once in 10 years rather than once in 8 years as has been the practice. For the most part this will be carried out on land where tobacco has been found subject to heavy damage from Granville wilt (known in Sumatra as slime disease). It is anticipated that the longer period between crops will help control the disease, improve the quality of the leaf, and increase the percentage of it that

will be suitable for the American market. Consideration is also being given to destroying before harvest all or a part of the portion of the crop not suitable for the American market. This, however, would augment the labor problem and eliminate the possibility of a return from most of the tobacco grown. It could be done only with the assurance that prices for the American grades would be sufficiently high to justify such action.

Possible substitute
crops considered

Part of the over supply of labor will be taken up by permitting laborers to produce more rice on the estates than has been the practice in recent years. This, however, does not offer much room for diversion as Sumatra has in the past year produced a substantial rice surplus. Other products being considered as substitutes for tobacco include rubber, tung oil, and perilla seed.

Most of the estates already have part of their land in rubber plantations, and the recent removal of the restriction on rubber production has permitted the tapping of more trees, which has provided an outlet for some of the excess labor. Expansion in rubber plantings on tobacco lands, however, has not been considered advisable because of uncertain world conditions.

For some years, the companies have been experimenting in the production of tung oil and perilla seed. Both of these offer some possibility for a shift from tobacco. Satisfactory results on an experimental scale have been obtained with tung trees, but if their planting is undertaken on a commercial scale it would give employment to only a fraction of the surplus tobacco laborers.

The production of perilla seed has not been found possible except when prices are at the high level that now prevails. Under existing conditions it might be a suitable substitute for tobacco. The crop would give employment to many tobacco laborers, since under Sumatra conditions its production requires a large amount of labor.

1941 TOBACCO ACREAGE
IN CANADA REDUCED . . .

Preliminary estimates of the 1941 acreage planted to all types of tobacco in Canada show a reduction of approximately 7 percent from the 1940 plantings of 67,890 acres and of about 32 percent from the record 1939 plantings of 92,300 acres. The flue-cured acreage has been reduced by about 2 percent as compared with 1940, burley 26 percent, and cigar-

leaf 15 percent. The combined acreage of all other types is approximately equal to that planted in 1940, according to a recent release by the Dominion Bureau of Statistics at Ottawa.

The 1941 flue-cured acreage is estimated at approximately 47,800 acres as compared with 48,610 in 1940, and the record 1939 acreage of 69,480 acres. Grower members of the Flue-Cured Marketing Association of Ontario were allotted 44,600 acres for this season, which was substantially above the 1940 allotment. Actual plantings, however, fell substantially below the allotment and the preliminary estimate for Ontario Province, including that of growers outside of the association, totaled 42,000 acres as compared with 42,640 in 1940. A 5-percent reduction in flue-cured acreage is indicated for Quebec, which would give an area of about 5,200 acres as compared with 5,520 in 1940. In British Columbia approximately 600 acres have been set, which is about 33 percent above the 450 acres planted to flue-cured leaf in 1940.

The 1941 burley acreage, which is confined to Ontario, is estimated at 7,200 acres as compared with 9,710 in 1940, and 11,190 in 1939. The acreage for cigar leaf in Quebec is estimated at about 3,700 acres as compared with 4,370 in 1940, and the combined acreage of all other types is approximately equal to that of a year ago.

For all types the rapid development of seedlings in plant beds necessitated early transplanting which with heavy rains in the principal producing districts resulted in the crop being further advanced than normal. Damage from cut worms was reported in Ontario and Quebec, and caused considerable transplanting. Heavy wind damage and some checking of growth as a result of a drought occurred in Quebec, but conditions for the crop as a whole are reported as favorable.

No indication of probable production was given in the official report; however, since the crop is further advanced than normal, it is possible that the output will substantially exceed the 1940 production which was greatly reduced by early fall frosts.

With yields for all types comparable with those obtained between 1935 and 1939, the indicated 1941 acreage would produce a total crop of about 69 million pounds as compared with a preliminary estimate of the 1940 crop of 60 million and the record 1939 production of 108 million pounds.

With a yield per acre for flue-cured leaf comparable with the 1935-1939 average, the 1941 crop would be about 50 million pounds as compared with a 1940 preliminary estimate of only 39 million, and the record 1939 crop of 80 million pounds.

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F R U I T S, V E G E T A B L E S, A N D N U T S

MALAGA-RAISIN

FORECAST LARGER

THAN LAST YEAR . . .

The 1941 preliminary forecast of muscatel raisin production in Malaga is 6,000 short tons as compared with 3,300 tons estimated production in 1940 and 4,400 in 1939. The forecast is below the 10-year average (1930-1939) of 7,600 tons and the recent 5-year average (1935-1939) of 6,200 tons.

It is possible that due to the unusually heavy demand for fresh grapes, as in the 1940 season, the forecast may not be reached. Growers state distillers and wine producers have been actively engaged in forward purchases to meet their needs.

The growing conditions thus far have been satisfactory though the shortage of fertilizer and spray continues. It has been reported that some vineyards have been brought back into cultivation this season which had been abandoned since the outbreak of the Spanish civil war.

The disposal of the 1940 production, to review it briefly, was far from satisfactory. The shortage of labor and strong demand at good prices for fresh fruit caused many growers to dispose of their grapes rather than to dry them. The Government price control on raisins caused prices to reach almost prohibitive levels which in turn cut down consumption. The export market, as a result of high prices and the war in Europe, was practically nonexistent.

Information now available indicates that only 94 short tons of muscatel raisins from Malaga were exported from the 1940 production. Sweden took 66 tons of these on a barter agreement while the remainder in small lots was exported to Canada, Cuba, Mexico, and the United States.

The disposal of the 3,800 tons of muscatels was about as follows: domestic consumption, 2,400; exported, 94; and 1,306 tons used by distilleries. The complete production was disposed of by May 20.

The export outlook for the 1941-42 season is again rather discouraging as it has become even more difficult to obtain shipping facilities than during the previous season. The prices of muscatels, moreover, are expected to be at even higher levels than during the previous season. The Government is expected to announce opening prices in August. Exporters, however, are dubious as to whether they will be

able to export to the United States because of price and lack of shipping facilities. There appears to be some possibility of a few barter agreements being made.

SPANISH FILBERT
FORECAST BELOW
LAST YEAR . . .

The 1941 preliminary forecast for Spanish filbert production is 20,000 short tons, unshelled basis, as compared with 22,000 tons, the estimated production in 1940, and 24,200 tons on 1939. The forecast is 25 percent below the recent 5-year average (1935-1939) of 26,800 tons and 15 percent below the 10-year average (1930-1939) of 23,600 tons. The forecast of production was made in late May which is rather early and the existing circumstances in Spain make forecasts somewhat problematical. It is likely that a revision may be made in the estimate as the season advances and better indications become available.

Growing conditions as a whole have been satisfactory; however, the set in some sections is reported as being lighter than a year ago. The effects of the civil war have not altogether been overcome, with the result that normal production is not to be expected.

The 1940-41 marketing season has now about drawn to a close. The marketing of the 1940 crop was carried on under somewhat confusing conditions and left much to be desired. The marketing of both almonds and filberts from producer through to export or domestic consumer had been under the control of the "Rama," a Government agency. This agency was ordered to liquidate its stock and to be out of business by December 31, 1940.

This was done but certain phases of the new marketing scheme had not been clarified. Exporters and dealers, after January 1, 1941, were permitted to purchase directly from growers; however, they still paid the Rama the former difference between the price received by the grower and the fixed price to exporters at the Rama. This, in effect, was a tax on purchases. However, prices soon reached levels higher than those fixed by the Rama. On May 1, 1941, an order was issued by the Ministry of Industry and Commerce stating that filberts could thereafter be sold freely within Spain and the Rama was abolished. This order further strengthened prices.

The domestic demand throughout the season had been very heavy due to the shortage of other foods. Exports were the smallest in many years due to wartime shipping and exchange difficulties and to high prices of filberts due to the domestic demand.

A new development in the Spanish filbert industry is the extraction of oil. It is estimated that approximately 66 short tons a month are pressed for oil. The oil is used in place of olive and other edible oils while the press cakes are ground into flour for baking where it finds ready use in pastries and confectionaries.

Exporters are somewhat concerned over the export outlook for the 1941-42 season and some have suggested that arrangements should be made with the United States whereby 50 percent of the harvest would be sent to that country. They point out that unless such an outlet is arranged it is likely Germany will take all available supplies which would be less satisfactory to them.

ITALIAN GOVERNMENT ENCOURAGES PLANTING OF PYRETHRUM . . .

The consumption of pyrethrum in the manufacture of insecticides in Italy averages about 1,600 short tons per year. The domestic production has averaged about 300 tons with the balance of the requirements being imported from Yugoslavia, Japan, and Kenya.

The Italian Government in line with its policy of encouraging domestic production of commodities normally imported from abroad to become entirely or nearly self-sufficing, directed the Ministry of Agriculture to conduct experiments for the purpose of increasing Italian production of pyrethrum.

The work of Dr. Gazzola at Bogliasco in Genoa Province has been particularly interesting. The plant had been introduced more than a century ago from Iran (Persia) and was used chiefly for floral decorations though in recent times the flowers were dried for use in insecticides.

Dr. Gazzolo's experiments proved that the plants could be grown profitably in Liguria and other parts of Italy on land now lying fallow or not suited to other forms of agriculture. Experiments also showed that the Italian pyrethrum flowers were of equal quality or even superior to some of the imported flowers in pyrethrine content. The tests at one experimental field near Genoa produced flowers containing 8 to 10 percent pyrethrine and an average of 100 flowers per plant. It was established that the red variety yields but a small quantity of pyrethrine, the white the most seed, while the yellowish-white yield the highest percentage of pyrethrine and are, therefore, the most profitable. The yield of flowers in Genoa from 1 hectare was about 2,425 pounds (about 1,940 pounds per acre).

Professor Vincenzo Giordana, another Italian horticulturist in Liguria, made the following observations on cultural practices in his Province:

(a) Pyrethrum can be grown from seed or from shoots (or slips) taken from existing plants.

(b) Planting should be done in places exposed to the sun either in the fall or in the spring and during damp weather. The most suitable months in Liguria for seeding and planting operations are September and towards the end of March. Pyrethrum can be grown at any altitude from sea level up to 1,000 meters (3,281 feet).

(c) After the ground has been prepared for seeding it should be covered with a light layer of compost which for a few days must be watered slightly; seed are sown by hand, and in order that the plants may not grow too closely one to another it is advisable to mix with the seed a small quantity of bran.

(d) For planting the shoots or slips it is necessary to prepare the ground to a depth of about 16 inches, and it should be fertilized with animal manure. The shoots should be planted about 10 inches apart.

(e) Once planting is over nothing further needs to be done for the next 6 or 8 years except the eradication of weeds from time to time.

(f) Pyrethrum should be planted in dry, calcareous and pebbly soil, and it is unnecessary to do anything in the way of cultivation, since if too much care is given the plants the flowers tend to become larger and more beautiful and as a consequence they lose in pyrethrine content.

(g) In Liguria the pyrethrum begins to flower towards the end of May. As the fully opened flowers yield a smaller percentage of pyrethrine than the partially opening flower, the blossoms are gathered at this latter stage.

(h) The drying of the blossoms must be effected in the open air on frames or racks made of bamboo, or on straw matting. They should not be dried too much. The right drying point is when the blossom does not crumble but remains compressed when squeezed between the thumb and forefinger. They, therefore, should retain about 10 percent of moisture, and can then be packed in bales without suffering any damage.

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L I V E S T O C K A N D A N I M A L P R O D U C T S

CANADIAN CATTLE EXPORTS
TO UNITED STATES
CONTINUE BELOW QUOTA . . .

Canadian cattle exports to the United States during the second quarter of 1941 continued to be less than half as large as the quarterly low-duty quota of 51,720 head for heavy cattle. This year the number exported to the United States will be even smaller than in 1940 and is expected to be nearly 100,000 head less than the annual quota of 193,950 head, according to Agricultural Attaché C. C. Taylor at Ottawa. Shipments of calves to the United States so far this year have also been at a reduced rate.

Light marketing of cows, especially in Western Canada, with the shift of some dual-purpose cows to the dairy industry point toward the building up of herds, and a relative shortage of marketings for slaughter or export until at least 1942.

The high prices being paid for feeder cattle at present, as the result of unusually abundant grass and prospects of larger feed-grain supplies, indicate optimism in regard to fat-cattle prices next winter and spring and this may result in increased marketings in 1942.

Next fall and winter are expected to witness an even greater demand for feeder cattle, according to present indications, as well as for hogs and feeder lambs to help utilize the large surplus of wheat which is now available. Already there has been an important increase in the use of wheat as grain for fattening cattle. Many cattle feeders in southern Alberta and Saskatchewan, where oats and barley are grown less successfully, have been feeding cracked wheat as the only grain except at the beginning of the feeding season. Then, too, this year about 1.5 million acres of oats and about 1 million acres of barley have been added to the feed-grain acreages of Western Canada.

Any increase in beef consumption in Canada, so far, as a result of better consumer purchasing power and the restriction of pork consumption, has been possible chiefly as a result of curtailed cattle exports to the United States in 1940 and 1941. It is estimated that 100,000 head of cattle slaughtered in Canada, instead of being exported, would increase per capita consumption in that country by about 5 pounds or 10 percent.

There are two contingencies which might change these expectations of a strong cattle market in late 1941 and early 1942, one of which is a serious drought and the other the loss of the export market for bacon,

as all export bacon is now going to the United Kingdom. The development of a serious drought would necessarily result in liquidation of cattle by slaughter or exports whereas with the loss of the export market for bacon Canada would have a considerable surplus of pork for disposal at any price. Neither of these contingencies appears likely at present.

CANADIAN BACON BOARD
AGAIN INCREASES PRICE
TO PACKERS

There was a further increase of 75 cents (68 cents American) per 100 pounds in the price paid by the Canadian Bacon Board to packers for all bacon put into cure for export to the United Kingdom effective June 24, 1941. This makes an increase of \$2.50 (\$2.27 American) per 100 pounds announced by the Bacon Board since May 2, in an effort to curb exports to the United States, which if continued might jeopardize exports to the United Kingdom. (See Foreign Crops and Markets, May 19, June 2, and June 30, 1941.) The price of Grade A, number 1 sizable Wiltshire sides f.a.s. Canadian seaboard, according to this announcement, is \$18.60 (\$16.91 American) per 100 pounds beginning June 24.

Weekly shipments of live hogs to the United States fell off materially in the last 3 weeks of May after the first rise in price granted to packers by the Bacon Board, but increased materially in June. The weekly average of shipments for the 4 weeks of June was 1,842 head against 818 in May. Shipments for this year through June 26 totaled 21,000 head against none in the same months of 1940. The price of B 1 live hogs at Toronto was \$1.50 higher during the week ended June 26 than for the first week of May.

CANADA: Weekly hog exports to the United States and price of B 1 live hogs at Toronto, May and June 1941

Week	Live-hog exports	Weekly price	Week	Live-hog exports	Weekly price
		B 1 bacon hogs at Toronto			B 1 bacon hogs at Toronto
	Number	American dollars per 100 pounds		Number	American dollars per 100 pounds
May 8	1,568	8.09	June 5	1,808	8.72
15	505	8.18	12	1,177	8.86
22	655	8.28	19	2,043	9.35
29	546	8.46	26	2,341	9.59

Compiled from official sources.

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